

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

In re:)
CELSIUS NETWORK LLC, et al.,) Chapter 11
Debtors.) Case No. 22-10964 (MG)
) (Jointly Administered)
)

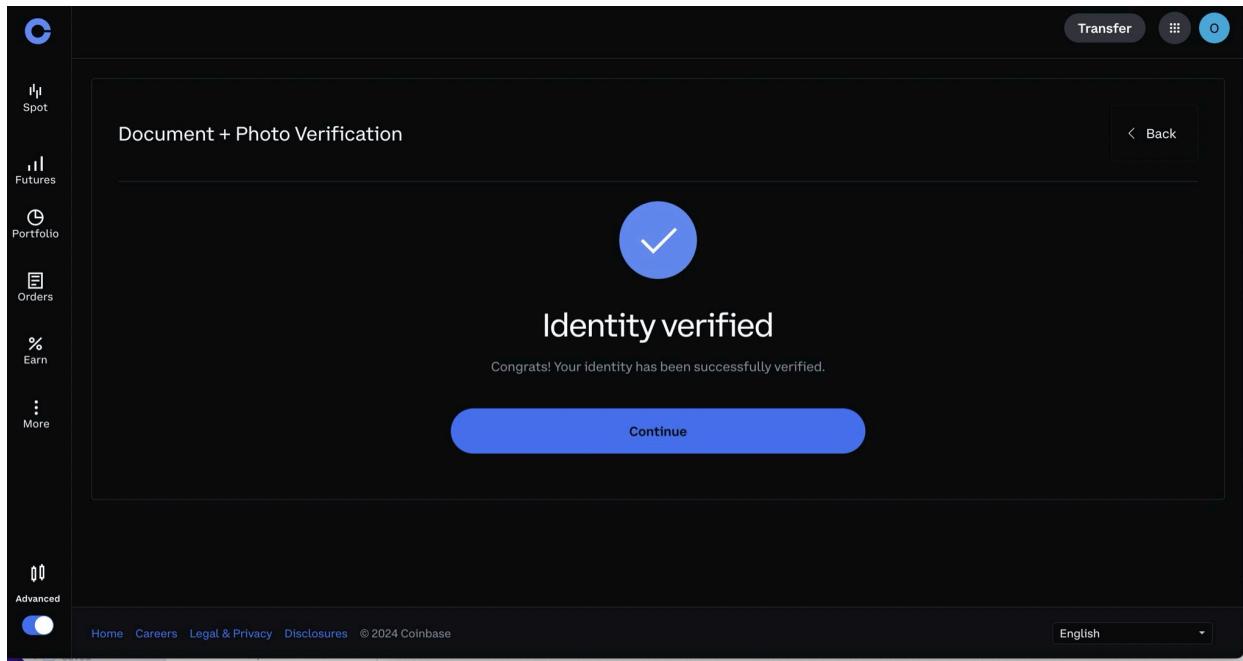
Dear Judge Glenn,

I'm writing you this letter because of a problem I'm having with one of Celsius's distribution agents, Coinbase. Celsius deposited my crypto into my Coinbase account two weeks ago, April 12, 2024, which I was very happy to have after waiting for 19 months. Celsius exited bankruptcy on January 31, 2024 and most users got their crypto distribution by mid-February 2024, but for users like myself and many others, the process took much longer because our accounts had unique circumstances, so we had to wait an extra two or three months to get our crypto distribution, which meant while others waited 17 months

for their crypto distribution, I had to wait 19 months for my crypto distribution.

I got my crypto distribution deposited into my Coinbase account on April 12, 2024, about two weeks ago, as I said, I was able to withdraw some of my crypto over the following week, but then Coinbase all of a sudden restricted my account from sending my Bitcoin to my self-hosted wallet under the guise of “protecting me,” Bitcoin that I wanted 19 months to get.

Your Honor, Coinbase is playing games with users’ crypto, more specifically their users’ Bitcoin. Coinbase first stated that they’re preventing me from withdrawing my Bitcoin because they’re “protecting” me from fraud. After completing two successful KYC’s, Coinbase then unilaterally reversed themselves and has stated that there’s an issue with my account which is why I can’t withdraw my coins, but in the same breath telling me to do two additional KYC’s, which I did, and both KYC’s were Verified. I’ve attached a screenshot of the Verified KYC below.



If there was an issue with my Coinbase account, as Coinbase states, Coinbase wouldn't have had me do another KYC verification, which was the second KYC verification in a week. My identity was Verified (photo attached above), which should free my Bitcoin from Coinbae' claws soon thereafter; but instead, what Coinbase did, your Honor, is send me an email (screenshot attached) on May 27, 2024 saying the following lies:

“Hi Otis,

Thanks for contacting us back. We understand that you want to be on top of your account and you want to make sure everything is going well. Let me help you sort this out. Your account was escalated for review to restore your ability to make purchases and deposits. It has been determined that your account is not eligible for a review at this time.

However, you can contact us after May 27, 2024, and we can submit your account for a review at that time. We are not able to elaborate on this decision-making process.

Your satisfaction is our prime goal and we appreciate your patience.

We appreciate your time and understanding towards this matter.

Stay safe and healthy!

Kind Regards,

Coinbase Support"

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Coinbase Support

To: otisid1234@outlook.com

6:24 PM

[Reply] Case #19174299

Hi Otis,

Thanks for contacting us back. We understand that you want to be on top of your account and you want to make sure everything is going well. Let me help you sort this out.

Your account was escalated for review to restore your ability to make purchases and deposits. It has been determined that your account is not eligible for a review at this time.

However, you can contact us after May 27, 2024, and we can submit your account for a review at that time. We are not able to elaborate on this decision-making process.

Your satisfaction is our prime goal and we appreciate your patience. We appreciate your time and understanding towards this matter.

Stay safe and healthy!

Kind Regards,
Coinbase Support

Your Honor, how can my account be escalated for review to restore my ability to make purchases and deposits, but It has been determined that my account is not eligible for a review at this time, as the email from Coinbase Support states? Why isn't my account eligible for review at this time? What are you, Coinbase, reviewing? Why do I need to contact you 30 days from now in order for you to do a review? What's going to change in 30 days which will allow you, Coinbase, to review my account? What's more plausible, your Honor, is that Coinbase is short Bitcoin and holding onto their customers' Bitcoin to bridge their Bitcoin shortfall.

Keep in mind, Judge, in order for my distribution to get deposited into my Coinbase account, I needed to have an account at Coinbase in good standing, all the KYC checks had to be made, Coinbase had to agree that my account is in good standing, which took over two weeks, and only then can Celsius deposit my crypto distribution into my Coinbase account. So for Coinbase to claim they can't tell me why I can't withdraw my Bitcoin from my KYC'd account is laughable at best, and sinister at worse.

Your Honor, Coinbase will allow me to sell my Bitcoin on their exchange and move my money to my bank account,

which tells me that there's no legal issue with my account; what that tells anyone involved in crypto, and should tell a lay person, is that Coinbase is short Bitcoin and holding onto their users' Bitcoin to prop up their Bitcoin balance sheet. If I wanted to sell my Bitcoin, I would have elected to take my Celsius distribution in fiat as opposed to in-kind. I have no intention of selling any of my Bitcoin, whether to Coinbase, BlackRock, or any other entity, and Coinbase is trying to force me to sell them my Bitcoin, which is why I'm restricted from withdrawing my Bitcoin and only allowed to sell my Bitcoin on their exchange, which is completely unethical, if not illegal.

Your Honor, all I have is an IOU from Coinbase, and if Coinbase were to go bankrupt tomorrow, I'm in the exact same position as I was in with the Celsius chapter 11 case and will have to go through another bankruptcy, which will take years to get my Bitcoin.

The simple relief I'm seeking from your Honor – which is a simple one – is for your Honor to ask the Debtors, Celsius, to contact Coinbase and tell them to allow me, Otis Davis, to withdraw my Bitcoin off of their platform. Coinbase should not be holding their users' Bitcoin hostage, especially since those Coinbase users like myself waited

18 months to get their crypto distribution from Celsius.
There is no reason for Coinbase to victimize me a second time by holding my Bitcoin hostage and refusing to allow me to withdraw it.

Respectfully Signed,

Otis Davis

04/28/2024

/s/Otis Davis